

**IT Professional Technical Services  
Master Contract Program  
T#:902TS**

**Statement of Work (SOW)  
For Technology Services  
Issued By**

**Minnesota Department of Department of  
Employment & Economic Development**

**Project Title:  
Unemployment Insurance Program - Support Services  
Business Continuity Planning / Disaster Recovery**

**Service Categories: Business Continuity**

**Business Need**

Minnesota's Unemployment Insurance (UI) Program is administered through the Department of Employment and Economic Development (DEED). In 2008, the U.S. Department of Labor Office of Inspector General (OIG) conducted two audits of the State Workforce Agencies' UI IT contingency plans to determine if states were prepared to minimize the impact of a disaster or other situations that may disrupt normal UI program operations. The OIG used National Institute of Standards and Technology (NIST) standards in evaluating the plans. The summary of findings stated that Minnesota did not have in place sufficient Contingency Plans to ensure adequate disaster response capability as identified in the NIST Special Publication (SP) 800-34, Contingency Planning for Information Technology Systems.

To complete the development of business continuity plans for the UI program, DEED wishes to contract with a vendor specializing in **Business Continuity / Disaster Recovery Planning**. A contracted vendor will develop contingency plans specifically for UI IT recovery and the services required in support of Unemployment Insurance operations. These contingency plans will be developed following the guidelines provided in NIST Special Publication 800-34 Rev. 1 Contingency Planning Guide for Federal Information Systems.

**Historical Background Information:**

In February 2010 DEED issued and awarded a P/T contract for a Senior Architect to develop Phase 1 of the UI IT contingency plan and associated recovery strategies, as well as conduct a table top exercise to ensure the appropriate knowledge transfer took place. Contract fulfillment was completed successfully and Phase 1 was completed during the month of November 2011. Project stakeholders are 1) the citizens and businesses of Minnesota, 2) the MN Department of Homeland Security & Emergency Management, 3) the US Department of Labor's Employment and Training Agency, and 4) DEED.

**Context:**

The contractor is expected to document and complete Phase 2 of UI IT contingency plan development by the end of calendar year 2013. Contingency plans will be developed for Unemployment Insurance IT systems and five internal support services required for service continuation of DEED's Unemployment Insurance Services, a Priority 2 Service.

One of the conditions for funding Unemployment Insurance Benefits required by the US Department of Labor's Employment and Training Agency is the existence, implementation, maintenance and testing of UI IT contingency plans. This Statement of Work is intended to provide sufficient resources dedicated to the completion of DEED's UI IT and required supporting services contingency plan.

**UI System Description:**

The Minnesota UI system is a large, complex, and integrated Benefit and Tax system. UI staff, employers, applicants, third party payroll services and benefit administrators all use the same web-based self-service application, with access to functionality controlled by security rules. In addition to the web based application, an interactive voice response system (IVR) is available for both employers and applicants to interface with the functionality of the web application. The applicant IVR is available in four languages; English, Spanish, Hmong and Somali. A digital recording and conference call vendor is used to generate Appeal hearing calls and record the hearing.

The system allows for the following functionality for employers: a self-service system where new employers can register their business for a UI account, all employers can submit quarterly wage records for their employees and receive the amount due based on their wage record submission, pay their UI tax liability, view correspondence, and maintain their account, all federal and financial reporting, cross-matches for detecting potential fraud, and workflow for UI staff. The system also allows for the following functionality for applicants: a self-service system to apply for benefits, reactivate their account, request payment, view transactions and correspondence and maintain their account, adjudication, appeals, overpayments, federal and financial reporting, cross-matches for detecting potential fraud and workflow for UI staff.

Most Employer and Applicant functionality is available Monday through Friday from 6 AM to 6 PM. Please visit [www.uimn.org](http://www.uimn.org) for more information.

## **Project Deliverables**

This project consists of 11 specific deliverables as listed below.

1. Produce a comprehensive project plan, using Microsoft Project, to include the components outlined below which require STATE approval before implementation.
  - 1) Charter
  - 2) Scope document
    - i. Business need
    - ii. Objectives
    - iii. Benefit statement
    - iv. Deliverables In/Out
    - v. Identify stakeholders
    - vi. Identify roles and responsibilities
  - 3) Determine project assumptions
  - 4) Determine project approach
  - 5) Constraints
  - 6) Identified project risks
  - 7) Scope change process defined
  - 8) Communications plan (to include weekly status reports)
  - 9) Project plan Gantt chart listing major milestones, dependencies, target dates, actual deliverable dates.
2. Validate results of previous business risk and vulnerability assessment on internal services supporting UI and deliver a findings and recommendations document based off of the following components:
  - 1) Analysis of existing risks and controls
  - 2) Identification of undocumented risks and the probability of occurrence
  - 3) Assess impact of each risk event
  - 4) Determine additional controls needed
  - 5) Obtain sign-off of risks and acceptable controls
  - 6) Recommend risk mitigation strategies
3. Produce individual contingency plans by conducting contingency planning activities using DEED's current BIA findings, existing logical and physical design diagrams, business process, organization charts and other STATE-supplied templates and documentation. Baseline BIA information will be validated by the vendor through interviews with key stakeholders of various internal support services. Development of contingency plans includes detailing processes, determining and documenting alternate work locations, developing recovery procedures, formulating recovery teams, identifying team-specific tasks, document key vendor dependencies and essential vendor information. Make connection with existing UI recovery plans and ensure interdependencies are

documented and communicated to team members. Contingency plans will follow the current format used in existing UI recovery plans. Plans will be developed for the following:

1. Administrative and Financial Services
2. CARD (Communications Analysis & Research Division)
3. Commissioner's Office
4. Human Resources
5. MN.IT@DEED

**Supporting information (Plan Outline):**

Below is the plan outline to be used in developing contingency plans for the five internal services required to support ongoing operations of the Unemployment Insurance division.

- 1) Purpose
  - i. Applicability
  - ii. Scope
  - iii. Record of Changes
  - iv. System Description
  - v. Line of Succession (*This is already identified and documented*)
  - vi. Define teams, roles and responsibilities
- 2) Notification Phase
  - i. Activation Criteria
  - ii. Documented Notification Procedures
  - iii. Damage Assessment Processes
- 3) Recovery Phase
  - i. Detailed recovery procedures and checklists for all teams and systems
- 4) Reconstitution Phase
  - i. Reconstitution (Demobilization) Phase Procedures
- 5) Plan Appendices
  - i. Assembly of contact information for recovery team members
  - ii. Assembly of contact information for critical vendors
  - iii. Equipment / system requirements lists
  - iv. Description and directions to alternate sites designated as alternate operating facilities for internal support services of the UI system.
4. Conduct contingency planning activities using DEED's current UI IT Recovery documentation, existing logical and physical design diagrams, and other STATE-supplied templates and documentation to capture and document the processes for the implementation, fail-over and fail-back between the UI Production system and the UI Expansion system. This includes all critical sub-systems associated with and integral to recovery of the overall UI production system.
5. Enhance/update the overarching "DR Strategy" document and all existing UI contingency plans based on strategies developed for UI internal support services.

6. Document 'Security Credentialing' process to be followed during incident management and exercises. This includes developing procedures to ensure DEED assets in the headquarters location are secured by DEED staff, should the building become unstable.
  7. Document currently undocumented, day-to-day operational procedures for internal services supporting UI. This information will be included in the continuity of operations plans and will influence recovery strategy development.
  8. Document procedures for the various teams in the Incident Command Structure under the Logistics and Finance section including, but not limited to, Damage Assessment, Facilities, Procurement, Contracting, HR Communications, Safety, Cost Tracking, Payroll & Time Tracking and Vendor Management.
  9. Develop and execute:
    - 1) A table top exercise for UI directors using likely scenarios as the focus, including but not limited to violent behavior and other threatening situations likely to occur in the UI division;
    - 2) A table-top exercise involving technology and business teams to practice executing internal support plans;
    - 3) A table top exercise involving DEED's Incident Command team using likely scenarios as the focus;
- NOTE:** The above three exercises may be, but are not required to be combined into one exercise.
- 4) A gap identification, analysis and recommendation document based on 'hot wash' and after action discussions, and
  - 5) Update plans to include improvements made as a result of the above exercises and,
  - 6) Conduct a final tabletop exercise to validate improvements made to the plans.
10. Ensure that a thorough transfer of knowledge occurs with the STATE Continuity Coordinator and other STATE stakeholders by conducting a final overview session while delivering all final products in Word documents, Excel spreadsheets, and Visio diagrams as appropriate, both electronic and hard-copy.
11. Present Final plans to Steering Committee.

Plans will be formatted to provide quick and clear direction in the event personnel unfamiliar with the plan or the systems are called on to perform recovery operations. Plans will be clear, concise, and easy to implement in an emergency. Where possible, checklists and step-by-step procedures should be used. A concise and well-formatted plan reduces the likelihood of creating overly complex or confusing strategies. The plan will conform to standards as shown in NIST Special Publication 800-34a which can be found at:

[http://csrc.nist.gov/publications/nistpubs/800-34-rev1/sp800-34-rev1\\_errata-Nov11-2010.pdf](http://csrc.nist.gov/publications/nistpubs/800-34-rev1/sp800-34-rev1_errata-Nov11-2010.pdf)

## Project Type

This project will be completed under a fixed price contract.

## Project Milestones and Schedule

**Project Start Date:** We anticipate this project will start on or about August 20 2012. Project end-date will depend on vendor proposals. However, the project must be completed no later than December 31, 2013.

## Project Environment (State Resources)

### Staff descriptions:

- a) Number of people on the project: One internal project manager, many supervisors and managers as well as team members will be involved sporadically throughout the project.
- b) Project Manager Name: Joe Arel
- c) Basic organizational structure (organizational chart) of the project:



- d) Staff proficiency levels and experience (with methodology, tools, etc.): The Project Manager and other key stakeholders is an expert in COOP planning and project management methodologies. Additionally, other employees who will be involved in the project possess expert level experience.

## Agency Project Requirements

- Locations involved: This project involves staff at DEED headquarters
- Training Needs: Team leaders and members will be trained on roles/responsibilities through table top exercises conducted as part of project deliverables.
- Any ongoing hardware/software, maintenance and warranty needs: N/A
- Compliance with the Statewide Enterprise Architecture: N/A
- Compliance with Statewide Project Management Methodology: Yes
- Compliance with applicable industry/agency standards: Yes
- Compliance with the State IT Accessibility Standards: Yes. (IT accessibility standards apply to deliverables submitted through this contract. See pg. 11)

## Responsibilities Expected of the Selected Vendor

- Work on site during DEED's normal business hours
- Provide Documented business process procedures, both soft and hard copies
- Continuity plans documenting recovery strategies for each internal business unit supporting UI
- Training and knowledge transfer to the appropriate DEED staff
- Project work plan and regular status reports

- Follow formal change control procedures

### **Required Skills** [These are to be scored as pass/fail requirements]

- 4 years or 4 projects with direct and verifiable experience in a lead role creating Business Continuity / Disaster Recovery Plans in a complex IT environment
- 4 years experience within Information Technology

### **Desired Skills**

- 2 years' experience on State Government IT related projects
- Experience with National Institute of Standards and Technology standards
- Project management skills
- Demonstrated success communicating with and collaborating across a variety of audiences, including business people and technologists
- Demonstrated ability to create deliverables in accessible formats
- Strong problem solving, logical thought processes and analytic abilities
- Excellent verbal and written communication skills
- Proven listening, facilitation and negotiation skills
- Prior experience with Minnesota State systems/agencies
- Business Continuity / Disaster Recovery certifications
- Relevant Bachelor's degree

### **Process Schedule (Estimate)**

- Deadline for Questions: Thursday 07/19/2012, by 4:30PM
- Anticipated Posted Response to Questions: Wednesday 07/25/2012, by 4:30PM
- Vendor Proposals due: Wednesday 08/01/2012, by 4:00PM
- Anticipated proposal evaluation begins: Wednesday 08/03/2012
- Anticipated vendor selection date: Friday 08/15/2012

### **Questions**

Any questions regarding this Statement of Work should be submitted via email by 4:30 pm, CDT, Thursday 07/19/2012:

Joe Arel, CBCP, MnCEM  
Mn Department of Employment and Economic Development  
651-259-7016 or [Joe.Arel@state.mn.us](mailto:Joe.Arel@state.mn.us)

Questions and answers will be posted on the Office of Enterprise Technology website by approximately Wednesday 07/25/2012, by 4:30PM.

([http://www.oet.state.mn.us/mastercontract/statements/mcp902ts\\_active.html](http://www.oet.state.mn.us/mastercontract/statements/mcp902ts_active.html)).

## SOW Evaluation Process

Each section of the vendor responses will be evaluated / scored by an evaluation team of DEED employees in accordance with the weighted criteria set forth below. If a resource being submitted does not meet the Required Skills noted above, they will be removed from further consideration/evaluation.

1. **Experience (required skills) (25%)**
2. **Desired Skills (20%)**
3. **Proposed Work Plan (25%)**
4. **Cost (30%)**

**The State reserves the right to conduct interviews of top coring candidates. In the event interviews are conducted, scores may be adjusted to reflect information derived from the interviews.**

**This Statement of Work does not obligate the state to award a work order or complete the assignment, and the state reserves the right to cancel the solicitation if it is considered to be in its best interest. The Agency reserves the right to reject any and all proposals.**

## Response Requirements (Proposal Format)

Please adhere to noted page limits. Failure to do so may result in a material failure of the proposal and may be taken out of consideration. Font should be no smaller than 10 point and pages should have .75" margins on all sides. Proposals consist of three (3) sections as described below:

**Section 1: Cover page** with only the following information (limit one page):

Vendor Company Name  
Address  
City, State, Zip  
Company Contact Person  
Contact person's email & phone information  
Resource Name #1  
Resource Name #2 if submitting a second resource

**Section 2: For each resource** being submitted for consideration, provide the following (please note, each resource section should be no longer than 8 pages. A "page" is one side of a piece of 8.5" x 11" paper, single spaced.

1. For **Business Continuity / Disaster Recovery experience ONLY**. (limit of 2 pages per resource)  
*This section will be used to score Experience and Desired Skills.*

Company Name (where resource did the work)  
Company Address  
Company Contact Person who can speak to this resource's work on the project  
Company Contact Person's Phone and Email Address  
Describe the BC/DR project work completed for this company by:  
1) The resource, and



2) Total hours of effort to complete the project.

Please highlight ***desired skills*** demonstrated or applicable to this project.

2. A complete or partial ACTUAL project plan created by and used by this resource on a BC/DR project. (limit 2 pages) *This section will be used to score Experience and Desired Skills.*
3. A statement of how this resource would approach our project and the completion of deliverables. (limit 1 page) *This section will be used to score Proposed Work Plan.*
4. Total hours estimated to complete this project, hourly rate for this resource, and total cost for this project (hours x hourly rate). Travel and expenses will NOT be paid for this project. (limit 1 page) *This section will be used to score Cost.*
5. A complete resume to include past 10 years (limit 2 pages). *This section will be used to score Experience and Desired Skills.*

**Section 3: State Forms** - Required forms to be returned or additional provisions that must be included in proposal. See General Requirements Section below for more information.

- a) Conflict of Interest Statement  
A statement certifying there are no known conflicts of interest with respect to this project, or if known, identification of those situations that may present an actual or potential conflict and how the contractor proposes to avoid the potential conflict.
- b) Affirmative Action Certificate of Compliance  
<http://www.mmd.admin.state.mn.us/doc/affaction.doc>
- c) Affidavit of non-collusion  
<http://www.mmd.admin.state.mn.us/doc/noncollusion.doc>
- d) Certification Regarding Lobbying  
<http://www.mmd.admin.state.mn.us/doc/lobbying.doc>
- e) Veteran-Owned/Service Disabled Veteran-Owned Preference Form  
<http://www.mmd.admin.state.mn.us/doc/vetpref.doc>

## Proposal Submission Instructions

- Sealed responses must be received at the following address no later than **4:00 pm CDT, Wednesday, August 1, 2012**, and must be addressed to:

**UI-IT Business Continuity / DR Planning Project**

Attn: Joe Arel, CBCP, MnCEM

MN Department of Employment & Economic Development

332 Minnesota St., Suite E-200

St. Paul, MN 55101

**NOTE:** All proposals will be time and date stamped when they are received. Proposals received after the deadline will not be considered and will be returned unopened to the responder. Emailed responses will NOT be considered.

- Please submit **5 copies** of Sections 1 & 2. You need only submit **one copy** of Section 3: State Forms.
- DO NOT include marketing materials or any other information not requested in Response Requirements.
- **Key Dates (Estimate):**
  - Deadline for Questions: Thursday 07/19/2012, by 4:30PM
  - Anticipated Posted Response to Questions: Wednesday 07/25/2012, by 4:30PM
  - Vendor Proposals due: Wednesday 08/01/2012, by 4:00PM
  - Anticipated proposal evaluation begins: Wednesday 08/03/2012
  - Anticipated vendor selection date: Friday 08/15/2012

Other persons ARE NOT authorized to discuss this SOW or its requirements with anyone throughout the selection process and responders should not rely on information obtained from non-authorized individuals. If it is discovered a Responder contacted other State staff other than the individual above, the responder's proposal may be removed from further consideration.

## **General Requirements**

### **Proposal Contents**

By submission of a proposal, the Responder warrants that the information provided is true, correct and reliable for purposes of evaluation for potential award of this work order. The submission of inaccurate or misleading information may be grounds for disqualification from the award as well as subject the responder to suspension or debarment proceedings as well as other remedies available by law.

### **Liability and Limitation of Damages**

The Contractor must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including reasonable attorney's fees incurred by the State for damages directly and proximately caused by the negligence of the Contractor while engaged in the performance of services under this contract. As a condition to the foregoing indemnity obligations, the State shall provide the Contractor with prompt notice of any claim for which indemnification shall be sought hereunder and shall cooperate in all reasonable respects with the Contractor in connection with any such claim. In accordance with Minnesota Statutes, Section 8.06, the State's Attorney General's Office must provide consent and approval with respect to Contractor's ability and right to control the handling of any such claim and to defend or settle any such claim with counsel of its own choosing.

### **Disposition of Responses**

All materials submitted in response to this SOW will become property of the State and will become public record in accordance with Minnesota Statutes, section 13.591, after the evaluation process is completed. Pursuant to the statute, completion of the evaluation process occurs when the government entity has completed negotiating the contract with the selected vendor. If the Responder submits information in response to this SOW that it believes to be trade secret materials, as defined

by the Minnesota Government Data Practices Act, Minn. Stat. § 13.37, the Responder must: clearly mark all trade secret materials in its response at the time the response is submitted, include a statement with its response justifying the trade secret designation for each item, and defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless the State, its agents and employees, from any judgments or damages awarded against the State in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives the State's award of a contract. In submitting a response to this RFP, the Responder agrees that this indemnification survives as long as the trade secret materials are in possession of the State.

The State will not consider the prices submitted by the Responder to be proprietary or trade secret materials.

### **Conflicts of Interest**

Responder must provide a list of all entities with which it has relationships that create, or appear to create, a conflict of interest with the work that is contemplated in this request for proposals. The list should indicate the name of the entity, the relationship, and a discussion of the conflict.

The responder warrants that, to the best of its knowledge and belief, and except as otherwise disclosed, there are no relevant facts or circumstances which could give rise to organizational conflicts of interest. An organizational conflict of interest exists when, because of existing or planned activities or because of relationships with other persons, a vendor is unable or potentially unable to render impartial assistance or advice to the State, or the vendor's objectivity in performing the contract work is or might be otherwise impaired, or the vendor has an unfair competitive advantage. The responder agrees that, if after award, an organizational conflict of interest is discovered, an immediate and full disclosure in writing must be made to the Assistant Director of the Department of Administration's Materials Management Division ("MMD") which must include a description of the action which the contractor has taken or proposes to take to avoid or mitigate such conflicts. If an organization conflict of interest is determined to exist, the State may, at its discretion, cancel the contract. In the event the responder was aware of an organizational conflict of interest prior to the award of the contract and did not disclose the conflict to MMD, the State may terminate the contract for default. The provisions of this clause must be included in all subcontracts for work to be performed similar to the service provided by the prime contractor, and the terms "contract," "contractor," and "contracting officer" modified appropriately to preserve the State's rights.

### **IT Accessibility Standards**

Responses to this solicitation must comply with the Minnesota IT Accessibility Standards effective September 1, 2010, which entails, in part, the Web Content Accessibility Guidelines (WCAG) 2.0 (Level AA) and Section 508 Subparts A-D which can be viewed at:

[http://www.mmd.admin.state.mn.us/pdf/accessibility\\_standard.pdf](http://www.mmd.admin.state.mn.us/pdf/accessibility_standard.pdf)

## Nonvisual Access Standards

Nonvisual access standards require:

- 1) The effective interactive control and use of the technology, including the operating system, applications programs, prompts, and format of the data presented, are readily achievable by nonvisual means;
- 2) That the nonvisual access technology must be compatible with information technology used by other individuals with whom the blind or visually impaired individual must interact;
- 3) That nonvisual access technology must be integrated into networks used to share communications among employees, program participants, and the public; and
- 4) That the nonvisual access technology must have the capability of providing equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

## Preference to Targeted Group and Economically Disadvantaged Business and Individuals

In accordance with Minnesota Rules, part 1230.1810, subpart B and Minnesota Rules, part 1230.1830, certified Targeted Group Businesses and individuals submitting proposals as prime contractors shall receive the equivalent of a six percent preference in the evaluation of their proposal, and certified Economically Disadvantaged Businesses and individuals submitting proposals as prime contractors shall receive the equivalent of a six percent preference in the evaluation of their proposal. Eligible TG businesses must be currently certified by the Materials Management Division prior to the solicitation opening date and time. For information regarding certification, contact the Materials Management Helpline at 651.296.2600, or you may reach the Helpline by email at [mmdhelp.line@state.mn.us](mailto:mmdhelp.line@state.mn.us). For TTY/TDD communications, contact the Helpline through the Minnesota Relay Services at 1.800.627.3529.

## Veteran-owned/Service Disabled Veteran-Owned Preference

In accordance with Minnesota Statute §16C.16, subd. 6a, veteran-owned businesses with their principal place of business in Minnesota and verified as eligible by the United States Department of Veterans Affairs' Center for Veteran Enterprises (CVE Verified) will receive up to a 6 percent preference in the evaluation of its proposal.

Eligible veteran-owned small businesses include CVE verified small businesses that are majority-owned and operated by either recently separated veterans, veterans with service-connected disabilities, and any other veteran-owned small businesses (pursuant to Minnesota Statute §16C.16, subd. 6a). Information regarding CVE verification may be found at <http://www.vetbiz.gov>.

Eligible veteran-owned small businesses should complete and **sign** the **Veteran-Owned Preference Form** in this solicitation. Only eligible, CVE verified, veteran-owned small businesses that provide the required documentation, per the form, will be given the preference.

## Foreign Outsourcing of Work Prohibited

All services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision also applies to work performed by subcontractors at all tiers.